

107TH CONGRESS  
2D SESSION

# H. R. 4210

To reauthorize and improve the program of block grants to States for temporary assistance for needy families.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 2002

Mrs. ROUKEMA (for herself and Mr. TIERNEY) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To reauthorize and improve the program of block grants to States for temporary assistance for needy families.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

### 3   **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Working From Poverty  
5   to Promise Act of 2002”.

### 6   **SEC. 2. TABLE OF CONTENTS.**

7       The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

## TITLE I—POVERTY REDUCTION

Sec. 101. Modification of a purpose of the program.

- Sec. 102. States required to include poverty reduction plan in annual State plan.
- Sec. 103. States required to identify barriers to employment of recipients and develop and revise self-sufficiency plans.

## TITLE II—ACHIEVING LONG TERM SELF-SUFFICIENCY

### Subtitle A—Education and Training

- Sec. 201. Elimination of limitation on participation in education and training activities.
- Sec. 202. Limited participation in vocational or educational training (including postsecondary education), work-study, and related internships as allowable work activities.

### Subtitle B—Encouraging States to Meet the Needs of Employers and Workers

- Sec. 251. State plan required to include certification that the State will assess its regional economies and provide information to local political subdivisions.
- Sec. 252. Assessment of State economies to identify higher-entry level wage opportunities in industries experiencing labor shortages.
- Sec. 253. Economic opportunity and accountability bonus.

## TITLE III—TIME LIMITS

- Sec. 301. Effect of wage subsidies on 5-year limit.
- Sec. 302. Improving hardship exception to 5-year limit on assistance.
- Sec. 303. Requirement that States have case management plan for hardship clients with multiple barriers to employment.

## TITLE IV—FUNDING

- Sec. 401. Inflation adjustment of family assistance grants.
- Sec. 402. Inflation adjustment of maintenance of effort requirement.

## TITLE V—WAIVERS

- Sec. 501. Continuation of waivers.

## TITLE VI—EFFECTIVE DATE

- Sec. 601. Effective date.

# 1 **TITLE I—POVERTY REDUCTION**

## 2 **SEC. 101. MODIFICATION OF A PURPOSE OF THE PROGRAM.**

3 Section 401(a)(1) of the Social Security Act (42

4 U.S.C. 601(a)(1)) is amended to read as follows:

1 “(1) provide assistance to needy families to re-  
 2 duce the extent and severity of poverty in families  
 3 with children;”.

4 **SEC. 102. STATES REQUIRED TO INCLUDE POVERTY RE-**  
 5 **DUCTION PLAN IN ANNUAL STATE PLAN.**

6 Section 402(a)(1)(A) of the Social Security Act (42  
 7 U.S.C. 602(a)(1)(A)) is amended by adding at the end the  
 8 following:

9 “(vii) Establish goals and take action  
 10 to reduce the extent and severity of pov-  
 11 erty experienced by families seeking assist-  
 12 ance.”.

13 **SEC. 103. STATES REQUIRED TO IDENTIFY BARRIERS TO**  
 14 **EMPLOYMENT OF RECIPIENTS AND DEVELOP**  
 15 **AND REVISE SELF-SUFFICIENCY PLANS.**

16 (a) IN GENERAL.—Section 408(b) of the Social Secu-  
 17 rity Act (42 U.S.C. 608(b)) is amended—

18 (1) in the subsection heading, by striking “IN-  
 19 DIVIDUAL RESPONSIBILITY” and inserting “SELF-  
 20 SUFFICIENCY”;

21 (2) in paragraph (1), by inserting “(including  
 22 any barriers to employment)” after “employability”;

23 (3) in paragraph (2)—

24 (A) in subparagraph (A)—

1 (i) in the matter preceding clause

2 (i)—

3 (I) by striking “may” and insert-  
4 ing “shall”; and

5 (II) by striking “individual re-  
6 sponsibility” and inserting “self-suffi-  
7 ciency”;

8 (ii) in clause (i), by striking “imme-  
9 diately”; and

10 (iii) in clause (ii), by inserting “self-  
11 sufficient” before “and remain employed”;

12 (B) in subparagraph (B)—

13 (i) in clause (i), by striking “(or, at  
14 the option of the State, 180 days)”; and

15 (ii) in clause (ii), by striking “30 days  
16 (or, at the option of the State, 90 days)”  
17 and inserting “60 days”; and

18 (C) by adding at the end the following:

19 “(C) REVISION OF PLAN.—The State  
20 agency shall reassess the matters described in  
21 paragraph (1) with respect to an individual who  
22 has signed a self-sufficiency plan developed pur-  
23 suant to this subsection and, in consultation  
24 with the individual, shall develop a revised self-  
25 sufficiency plan for the individual, if—

1 “(i) the individual has good cause for  
 2 failing to comply with the plan; or

3 “(ii) the State agency otherwise deter-  
 4 mines that the plan is not appropriate for  
 5 the individual.”;

6 (4) in paragraph (3)—

7 (A) by striking “may” and inserting  
 8 “shall”;

9 (B) by striking “individual responsibility”  
 10 and inserting “self-sufficiency”; and

11 (5) by striking paragraph (4).

12 (b) PENALTY FOR FAILURE OF STATE TO ASSESS  
 13 EMPLOYABILITY OR BARRIERS TO EMPLOYMENT, OR DE-  
 14 VELOP SELF-SUFFICIENCY PLAN.—Section 409(a) of  
 15 such Act (42 U.S.C. 609(a)) is amended by adding at the  
 16 end the following:

17 “(13) FAILURE TO ASSESS EMPLOYABILITY OR  
 18 BARRIERS TO EMPLOYMENT, OR DEVELOP SELF-SUF-  
 19 FICIENCY PLAN.—If the Secretary determines that a  
 20 State has not complied with paragraph (1) or (2) of  
 21 section 408(b) during a fiscal year, the Secretary  
 22 shall reduce the grant payable to the State under  
 23 section 403(a)(1) for the immediately succeeding fis-  
 24 cal year by an amount equal to not more than 5 per-  
 25 cent of the State family assistance grant.”.

**TITLE II—ACHIEVING LONG  
TERM SELF-SUFFICIENCY  
Subtitle A—Education and  
Training**

**SEC. 201. ELIMINATION OF LIMITATION ON PARTICIPATION  
IN EDUCATION AND TRAINING ACTIVITIES.**

Section 407(c)(2) of the Social Security Act (42 U.S.C. 607(c)(2)) is amended by striking subparagraph (D).

**SEC. 202. LIMITED PARTICIPATION IN VOCATIONAL OR  
EDUCATIONAL TRAINING (INCLUDING POST-  
SECONDARY EDUCATION), WORK-STUDY, AND  
RELATED INTERNSHIPS AS ALLOWABLE  
WORK ACTIVITIES.**

(a) IN GENERAL.—Section 407(d) of the Social Security Act (42 U.S.C. 607(d)(8)) is amended—

(1) by redesignating paragraphs (9) through (12) as paragraphs (11) through (14), respectively; and

(2) by striking paragraph (8) and inserting the following:

“(8) participation in vocational training or educational training (including postsecondary education), at an eligible educational institution (as de-

1        fined in section 404(h)(5)(A)) leading to attainment  
2        of a credential from the institution;

3            “(9) participation in a State or Federal work-  
4        study program under part C of title IV of the High-  
5        er Education Act of 1965 or an internship related  
6        to vocational or postsecondary education, supervised  
7        by an eligible educational institution (as defined in  
8        section 404(h)(5)(A));

9            “(10) occupational training leading to employ-  
10        ment;”.

11        (b) LIMITATIONS.—Section 407(c)(2) of such Act (42  
12        U.S.C. 607(c)(2)) is amended by adding at the end the  
13        following:

14            “(D) LENGTH OF TIME FOR WHICH PAR-  
15        TICIPATION IN VOCATIONAL OR EDUCATIONAL  
16        TRAINING (INCLUDING POSTSECONDARY EDU-  
17        CATION) COUNTS AS WORK.—Notwithstanding  
18        paragraph (1) of this subsection, an individual  
19        who has been determined under a State pro-  
20        gram funded under this part to be engaged in  
21        work for 24 months by virtue of participation in  
22        1 or more activities described in subsection  
23        (d)(8) shall not be considered to be engaged in  
24        work by virtue of participation in any such  
25        activity—

1 “(i) for more than 16 hours per week  
 2 during any subsequent period of 24  
 3 months (whether or not consecutive) in  
 4 which the individual is participating in vo-  
 5 cational training or educational training  
 6 (including postsecondary education) at an  
 7 eligible educational institution (as defined  
 8 in section 404(h)(5)(A)) leading to attain-  
 9 ment of a credential from the institution;  
 10 or

11 “(ii) for any period thereafter.”.

12 (c) CONFORMING AMENDMENTS.—Section 407(c)(1)  
 13 of such Act (42 U.S.C. 607(c)(1)) is amended in each of  
 14 subparagraphs (A), (B)(i), and (B)(ii), by striking “or  
 15 (12)” and inserting “(9), (10), or (14)”.

16 **Subtitle B—Encouraging States to**  
 17 **Meet the Needs of Employers**  
 18 **and Workers**

19 **SEC. 251. STATE PLAN REQUIRED TO INCLUDE CERTIFI-**  
 20 **CATION THAT THE STATE WILL ASSESS ITS**  
 21 **REGIONAL ECONOMIES AND PROVIDE INFOR-**  
 22 **MATION TO LOCAL POLITICAL SUBDIVISIONS.**

23 Section 402(a) of the Social Security Act (42 U.S.C.  
 24 602(a)) is amended by redesignating paragraph (7) as



1 paragraph (8) and inserting after paragraph (6) the fol-  
 2 lowing:

3 “(7) CERTIFICATION THAT THE STATE WILL  
 4 ASSESS ITS ECONOMY AND SHARE THE RESULTS  
 5 WITH ITS POLITICAL SUBDIVISIONS.—A certification  
 6 by the chief executive officer of the State that, dur-  
 7 ing the fiscal year, the State will provide for the con-  
 8 duct of an assessment of the economy of the State  
 9 in accordance with section 411(b)(1), and share the  
 10 results of the assessment with the governments of  
 11 the political subdivisions of the State.”.

12 **SEC. 252. ASSESSMENT OF STATE ECONOMIES TO IDENTIFY**  
 13 **HIGHER-ENTRY LEVEL WAGE OPPORTUNI-**  
 14 **TIES IN INDUSTRIES EXPERIENCING LABOR**  
 15 **SHORTAGES.**

16 (a) IN GENERAL.—Section 411 of the Social Security  
 17 Act (42 U.S.C. 611) is amended by redesignating sub-  
 18 section (b) as subsection (c) and inserting after subsection  
 19 (a) the following:

20 “(b) ASSESSMENT OF STATE ECONOMIES TO IDEN-  
 21 TIFY HIGHER-ENTRY LEVEL WAGE OPPORTUNITIES IN  
 22 INDUSTRIES EXPERIENCING LABOR SHORTAGES.—

23 “(1) IN GENERAL.—Within 1 year after the  
 24 date of the enactment of this subsection and every  
 25 2 years thereafter, each eligible State shall provide

1 for the conduct of an assessment (directly or  
2 through the collection of information obtained by  
3 other sources) of the economy of the State, which  
4 is designed to identify any area in the State in which  
5 there is an industry that is experiencing a labor  
6 shortage and that offers entry-level employment op-  
7 portunities paying wages at a rate greater than the  
8 minimum wage rate in effect under section 6 of the  
9 Fair Labor Standards Act of 1938, which shall in-  
10 clude the following:

11 “(A) LABOR MARKET.—The assessment  
12 shall—

13 “(i) identify any industry or occupa-  
14 tion that is growing or that expects  
15 growth, has lost or expects to lose skilled  
16 workers, or that has or expects to have a  
17 shortage of workers;

18 “(ii) identify the entry-level education  
19 and skills requirements for any such indus-  
20 try or occupation; and

21 “(iii) analyze the entry-level wages  
22 and benefits provided in any such industry  
23 or occupation.

24 “(B) PROFILE OF JOB SEEKERS.—The as-  
25 sessment shall create a profile of the character-

istics of the unemployed and underemployed residents of the State, including educational attainment, barriers to employment, geographic concentrations, and access to needed support services.

“(C) EDUCATION AND TRAINING INFRASTRUCTURE.—The assessment shall create a profile of the education, training, and support services in place in the State to prepare individuals for employment in any industry or occupation identified under subparagraph (A).

“(D) ALIGNING INDUSTRIES AND JOB SEEKER NEEDS.—The assessment shall compare the characteristics of each industry or occupation identified under subparagraph (A) with the profiles created under subparagraphs (B) and (C).

“(2) SHARING OF INFORMATION WITH LOCAL GOVERNMENTS.—The State shall share with the governments of the political subdivisions of the State any information gleaned by an assessment conducted pursuant to this subsection regarding—

“(A) the existence of any industry described in paragraph (1); or

1           “(B) opportunities for collaboration with  
 2           institutions of higher education, community-  
 3           based organizations, and economic development  
 4           and welfare agencies.

5           “(3) REPORTS OF ASSESSMENT OF REGIONAL  
 6           ECONOMIES.—An eligible State shall submit to the  
 7           Secretary a written report that contains the results  
 8           of any assessment conducted under paragraph (1).”.

9           (b) TECHNICAL ASSISTANCE.—Section 413 of such  
 10          Act (42 U.S.C. 613) is amended by adding at the end the  
 11          following:

12          “(k) TECHNICAL ASSISTANCE IN ASSESSING RE-  
 13          GIONAL ECONOMIES.—

14               “(1) IN GENERAL.—The Secretary may provide  
 15          technical assistance for the purpose of assisting  
 16          States in complying with section 411(b).

17               “(2) LIMITATIONS ON AUTHORIZATION OF AP-  
 18          PROPRIATIONS.—To carry out paragraph (1), there  
 19          are authorized to be appropriated to the Secretary  
 20          not more than \$1,500,000 for each fiscal year.”.

21          **SEC. 253. ECONOMIC OPPORTUNITY AND ACCOUNTABILITY**  
 22                       **BONUS.**

23          Section 403(a) of the Social Security Act (42 U.S.C.  
 24          603(a)) is amended by adding at the end the following:

1           “(6) BONUS TO REWARD STATES FOR ECO-  
2       NOMIC OPPORTUNITY ACCOUNTABILITY.—

3           “(A) IN GENERAL.—The Secretary shall  
4       make a grant to the eligible States to which the  
5       Secretary has assigned the 5 greatest scores in  
6       providing economic opportunity and account-  
7       ability for a fiscal year, based on training, plac-  
8       ing, and retaining welfare leavers in employ-  
9       ment identified in an assessment conducted  
10      under section 411(b).

11          “(B) SCORING.—The Secretary shall de-  
12      vise a system for assigning scores to States  
13      under subparagraph (A).

14          “(C) APPROPRIATION.—Out of any money  
15      in the Treasury of the United States not other-  
16      wise appropriated, there are appropriated  
17      \$150,000,000 for each fiscal year for grants  
18      under this paragraph.”.

## 19           **TITLE III—TIME LIMITS**

### 20      **SEC. 301. EFFECT OF WAGE SUBSIDIES ON 5-YEAR LIMIT.**

21      Section 408(a)(7) of the Social Security Act (42  
22      U.S.C. 608(a)(7)) is amended by adding at the end the  
23      following:

24           “(H) LIMITATION ON MEANING OF ‘AS-  
25      SISTANCE’ FOR FAMILIES WITH INCOME FROM

1           EMPLOYMENT.—For purposes of this para-  
 2           graph, a benefit or service provided to a family  
 3           during a month under the State program fund-  
 4           ed under this part shall not be considered as-  
 5           sistance under the program if, during the  
 6           month, the family includes an adult or a minor  
 7           child head of household who has received at  
 8           least such amount of income from employment  
 9           as the State may establish.”.

10 **SEC. 302. IMPROVING HARDSHIP EXCEPTION TO 5-YEAR**  
 11 **LIMIT ON ASSISTANCE.**

12       (a) AUTHORITY TO PROVIDE FURTHER EXEMP-  
 13 TIONS.—Section 408(a)(7)(C)(ii) of the Social Security  
 14 Act (42 U.S.C. 608(a)(7)(C)(ii)) is amended by adding at  
 15 the end the following: “, except as otherwise provided in  
 16 a State plan provision that has been approved by the Sec-  
 17 retary”.

18       (b) CLARIFICATION OF SCOPE OF HARDSHIP EXCEP-  
 19 TION.—Section 408(a)(7)(C)(i) of such Act (42 U.S.C.  
 20 608(a)(7)(C)(i)) is amended by inserting “(as defined by  
 21 the State in a manner that includes mental illness and  
 22 disability that is not sufficient to make the sufferer eligible  
 23 for supplemental security income benefits under title  
 24 XVI)” after “hardship”.

1 **SEC. 303. REQUIREMENT THAT STATES HAVE CASE MAN-**  
 2 **AGEMENT PLAN FOR HARDSHIP CLIENTS**  
 3 **WITH MULTIPLE BARRIERS TO EMPLOY-**  
 4 **MENT.**

5 Section 402(a)(1)(B) of the Social Security Act (42  
 6 U.S.C. 602(a)(1)(B)) is amended by adding at the end  
 7 the following:

8 “(v) Establish a plan to provide ap-  
 9 propriate case management planning and  
 10 services for individuals who have a hard-  
 11 ship defined under section 408(a)(7)(C)(i)  
 12 and have multiple barriers to employ-  
 13 ment.”.

14 **TITLE IV—FUNDING**

15 **SEC. 401. INFLATION ADJUSTMENT OF FAMILY ASSISTANCE**  
 16 **GRANTS.**

17 (a) IN GENERAL.—Section 403(a)(1)(A) of the Social  
 18 Security Act (42 U.S.C. 603(a)(1)(A)) is amended by  
 19 striking “of fiscal years 1996” and all that follows through  
 20 “2002” and inserting “fiscal year”.

21 (b) INFLATION ADJUSTMENT.—Section 403(a)(1) of  
 22 such Act (42 U.S.C. 603(a)(1)) is amended—

23 (1) in subparagraph (B)—

24 (A) by striking “means the greatest of—”  
 25 and inserting “means, with respect to a fiscal

1 year referred to in subparagraph (A) of this  
2 paragraph—

3 “(i) the greatest of—”;

4 (B) by redesignating each of clauses (i),  
5 (ii)(I), (ii)(II), and (iii) as subclauses (I),  
6 (II)(aa), (II)(bb), and (III), respectively;

7 (C) by indenting each of the provisions  
8 specified in subparagraph (B) of this paragraph  
9 2 additional ems to the right;

10 (D) by striking the period and inserting “;  
11 multiplied by”; and

12 (E) by adding at the end the following:

13 “(ii) 1.00, plus the inflation percent-  
14 age (as defined in subparagraph (F) of  
15 this paragraph) in effect for the fiscal year  
16 referred to in subparagraph (A) of this  
17 paragraph.”; and

18 (2) by adding at the end the following:

19 “(F) INFLATION PERCENTAGE.—For pur-  
20 poses of subparagraph (B) of this paragraph,  
21 the inflation percentage applicable to a fiscal  
22 year is the percentage (if any) by which—

23 “(i) the average of the Consumer  
24 Price Index (as defined in section 1(f)(5)  
25 of the Internal Revenue Code of 1986) for



the 12-month period ending on September 30 of the immediately preceding fiscal year; exceeds

“(ii) the average of the Consumer Price Index (as so defined) for the 12-month period ending on September 30, 2001.”.

**SEC. 402. INFLATION ADJUSTMENT OF MAINTENANCE OF EFFORT REQUIREMENT.**

Section 409(a)(7) of the Social Security Act (42 U.S.C. 609(a)(7)) is amended—

(1) in subparagraph (A), by inserting “inflation-adjusted” before “historic State expenditures”; and

(2) in subparagraph (B), by adding at the end the following:

“(vi) INFLATION-ADJUSTED HISTORIC STATE EXPENDITURES.—The term ‘inflation-adjusted historic State expenditures’ means, with respect to a fiscal year, historic State expenditures with respect to the fiscal year, multiplied by the sum of 1.00 plus the inflation percentage (as defined in section 403(a)(2)(F)) in effect for the fiscal year.”.

1                   **TITLE V—WAIVERS**

2   **SEC. 501. CONTINUATION OF WAIVERS.**

3           Section 415 of the Social Security Act (42 U.S.C.  
4   615) is amended by adding at the end the following:

5           “(e) CONTINUATION OF WAIVERS APPROVED BE-  
6   FORE JULY 1, 1997.—Notwithstanding paragraphs (1)(A)  
7   and (2)(A) of subsection (a), a State that has operated  
8   under a waiver described in subsection (a) which would  
9   otherwise expire on a date in the period that begins on  
10   January 1, 2002, and ends on September 30, 2007, may  
11   continue to operate under the waiver, on the same terms  
12   and conditions as applied to the waiver on the day before  
13   such otherwise occurring expiration date, through Sep-  
14   tember 30, 2007.”.

15           **TITLE V—EFFECTIVE DATE**

16   **SEC. 601. EFFECTIVE DATE.**

17           This Act shall take effect on October 1, 2002.

○